

**TENNESSEE REAL ESTATE COMMISSION
MINUTES
MARCH 14, 2007**

The Tennessee Real Estate Commission convened on March 14, 2007, in Room 160, Davy Crockett Tower, 500 James Robertson Parkway, Nashville, Tennessee. The following Commission Members were present: Chairman Charles Haynes, Vice Chairman William (Bear) Stephenson, Commissioner Gary Cunningham, Commissioner Adren Greene, Commissioner Grover Collins, Commissioner Isaac Northern, and Commissioner Wendell Alexander. Interim Director Donna Hancock announced that Commission Robbi Helton had resigned effective March 1, 2007 and Commissioner Carol Tate would not be attending the meeting.

The first order of business was the approval of the Agenda **(Exhibit 1) Commissioner Stephenson made a motion to adopt the agenda; seconded by Commissioner Cunningham. Motion Carried.**

MINUTES FROM February 2007 **(Exhibit 2) Commissioner Alexander made a motion to approve the minutes from February 2007 as presented; seconded by Commissioner Northern. Motion Carried.**

INFORMAL CONFERENCES:

Valerie White Stephenson, unapproved applicant – Ms. Stephenson appeared before the Commission in order to request licensure approval by reciprocity. Ms. Stephenson disclosed a theft of merchandise conviction in 1994 and theft of property conviction in 1994. **Commissioner Cunningham made a motion that Ms. Stephenson acquire her license in Mississippi, her state of residence, and once she is approved for her license there, she may appear before the Commission again to request her TN license by reciprocity; seconded by Commissioner Alexander. Motion Carried.**

Edward A. Loraditch, applicant – Mr. Loraditch appeared before the Commission in order to request licensure approval. Mr. Loraditch disclosed a conviction of simple assault in 1998. **Commissioner Stephenson made a motion to approve applicant for licensure; seconded by Commissioner Collins. Motion Carried.**

John A. Turner, applicant – Mr. Turner appeared before the Commission in order to request licensure approval. Mr. Turner disclosed a conviction of DUI in 2005 and simple possession in 2005. **Commissioner Alexander made a motion to deny; motion failed for lack of second. Commissioner Stephenson made a motion to approve applicant for licensure; seconded by Commissioner Collins. Commissioner Alexander and Commissioner Northern voted no. Commissioners Stephenson, Haynes, Greene, Collins, and Cunningham voted yes.**

Joseph Sterling Burris, applicant – Mr. Burris appeared before the Commission in order to request licensure approval. Mr. Burris disclosed a conviction of attempted possession of cocaine over .5 grams in 2001. **Commissioner Collins made a motion to approve applicant. Motion failed for lack of second. Commissioner Haynes made a motion to defer the applicant's request until the April 2007 meeting in order to give Mr. Burris time to obtain documentation from his probation officer; seconded by Commissioner Northern. Motion Carried.**

APPLICANT/LICENSEE REQUESTS:

Charles Hunt, Jr., License 208886 – Mr. Hunt requested the Commission consider reinstating his license. Mr. Hunt's license was revoked in 1991 after an audit was performed and it was noted that he loaned money to a friend from the escrow account. **Commissioner Alexander made a motion that Mr. Hunt appear before the Commission with a Principal Broker at the next scheduled Commission Meeting; seconded by Commissioner Cunningham. Commissioner Collins made a motion to amend the first motion to require Mr. Hunt to appear before the Commission with a Principal Broker at the next scheduled commission meeting at which time the Commission would consider him for an affiliate license in order to ascertain that Mr. Hunt would be under the complete supervision of a Principal Broker. Motion was seconded by Commissioner Stephenson. Motion carried.**

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Tamika David, applicant – Ms. David requested that the Commission consider her request for a waiver of the required "new affiliate course" for licensure in Tennessee. Ms. David has recently moved from Arizona to Tennessee where she held a real estate license from 2004-2006. Ms. David advised that the "new affiliate course" requirement for Tennessee would be a duplicate of education that she had already acquired as a licensee in Arizona. **Commissioner Collins made a motion to deny Ms. David's request; seconded by Commissioner Alexander. Motion carried.**

Betty S. McDow, license 282953 – Ms. McDow requested that the Commission consider her request for a waiver of all late fees in order to renew her license. Ms. McDow had placed her license in retirement status some years back. She advises that she never received her renewal notice, therefore, she did not pay the renewal fee. Upon calling TREC and speaking with one of the staff, she was advised that her renewal statement had been returned to the office as undeliverable and that her license was currently in default. **Commissioner Alexander made a motion to deny Ms. McDow's request; seconded by Commissioner Collins. Motion carried.**

Commissioner Alexander asked Donna Hancock what happened to the photos of Commission members which used to hang on the wall inside the TREC office. Ms. Hancock advised that they were taken down as some of the photos were not current and that some members were no longer on the board. **Commissioner Alexander motioned that the photos be returned to the TREC office wall; seconded by Commissioner Greene. Motion carried.**

EDUCATION REPORT: (Exhibit 3) – Dr. Kathy Riggs, Education Director

Dr. Riggs presented courses for Commission evaluation. **Commissioner Northern made a motion to approve the courses as presented; seconded by Commissioner Greene. Motion carried.**

Dr. Riggs presented a letter from Dottie Oslin, Executive Director for TREES, Inc. along with a resume for Bruce E. Lynn requesting that Mr. Lynn be approved to teach the following courses for TREES; 1627-60 hour Pre License I & II, 335-30 hour Office Broker Management, and 1571-30 hour course for New Affiliates. **(Exhibit 4) Commissioner Cunningham made a motion to approve; seconded by Commissioner Stephenson. Motion carried.**

Dr. Riggs presented a letter from Jackie Riggins, CEO and owner of Property Staging Consultants. This course was deferred for approval by the Commission during the March 2007 meeting. **Commissioner Stephenson made a motion to defer until 2nd half of meeting until such time that the syllabus for the class could be reviewed by the Commission members; seconded by Commissioner Collins. Motion carried.**

The next order of business was discussion on law book manual distribution. Ms. Hancock presented the Commission with a comparison report designed to show a breakdown of the costs involved if Lexis Nexis were to store the books in their facility and mail them out to licensees and the costs involved if TREC were to store them in their facility and mail them out to licensees. **(Exhibit 5) Commissioner Cunningham advised that if the manuals were sent as bound printed matter, the Commission would save a tremendous amount of money. Commissioner Alexander made a motion to obtain the latest audit of the Education and Recovery Fund to see how much money came into the account, how much was being spent from the account, and who authorized the expenditures; seconded by Commissioner Collins. Motion carried. Commissioner Northern made a motion to defer the discussion until such time when a Lexis Nexis representative could be in attendance to discuss the various options on ordering and mailing the new law manuals; seconded by Commissioner Collins. Motion carried. Commissioner Northern further motioned to set up a sub-committee in order to oversee the Education and Recovery Fund to make sure the monies were being spent appropriately and be kept abreast of the interest rates; seconded by Commissioner Collins. Motion carried.**

Ryan Bane, staff attorney, was asked to provide a copy of the Sunshine Law to the Commission Members the following day.

Commissioner Haynes adjourned the meeting at 2:15 p.m. for the day.

**TENNESSEE REAL ESTATE COMMISSION
MINUTES
MARCH 15, 2007**

The Tennessee Real Estate Commission reconvened on March 15, 2007, in Room 160, Davy Crockett Tower, 500 James Robertson Parkway, Nashville, Tennessee. The following Commission Members were present: Chairman Charles Haynes, Vice Chairman William (Bear) Stephenson, Commissioner Gary Cunningham, Commissioner Grover Collins, Commissioner Isaac Northern, and Commissioner Wendell Alexander. Commissioners Carol Tate and Adren Greene were not in attendance.

EXECUTIVE DIRECTOR'S REPORTS: – Donna Hancock, Interim Executive Director:
Ms. Hancock presented the following information to the Commission for review:

- Complaint Statistics Report **(Exhibit 6)**
- Auditor Summaries of Productivity **(Exhibit 7)**
- Licensee Longevity – Awards Ceremony **(Exhibit 8)**

Commissioner Collins made a motion to present the licensees with a paper certificate that the licensees could frame. Commissioner Cunningham is to provide a shell document that can be filled in with the licensees name and TREC staff will print the certificates. Commissioner Haynes asked that a Commissioner from each grand division to check on a place and costs that would be incurred in their area to hold the licensee longevity award ceremonies. Commissioner Haynes recommended that the full commission attend the Kentucky award ceremony on their personal time and expense in order to see how Kentucky conducts their ceremony each year for the licensees. Commissioner Northern is to check in the West Tennessee Division, Commissioner Cunningham to check in the Middle Tennessee Division, and Commissioner Stephenson is to check in the East Tennessee Division. Commissioner Haynes asked Ms. Hancock to have staff check with Kentucky during break in order to determine when their next ceremony would be held during 2007. The Commission will determine in the near future if spouses and other family members will be allowed to attend in order to help determine all costs incurred for the yearly award ceremony.
- Policy requests for license reinstatement. **(Exhibit 9)**

Donna Hancock advised the Commission that many licensees did not renew their licenses in a timely fashion after the December 2006 renewal period. It is estimated that 5,074 licensees have made no attempt to renew their license and 280 firms have made no attempt to renew. Ms. Hancock further explained that she needed to provide a method to these individuals who may want to reinstate their license. Commissioner Haynes advised that licensees would be required to submit in writing a statement requesting a waiver and explain why they have been unable to renew in a timely fashion. Upon receipt of the information, the statements would then be put before the Commission in order for the members to determine on a case by case basis, the method in which the licensee would be dealt with.

➤ Renewals Report **(Exhibit 10)**

Commissioner Alexander made a motion that auditors would find out why some affiliates and principal brokers are currently not licensed as required by law and report back to the Commission; seconded by Commissioner Haynes. Motion carried.

Ms. Hancock advised the Commission that the next scheduled Sunset Review is scheduled for June 30, 2010. **(Exhibit 11)**

Ms. Hancock provided follow up regarding someone from Lexis Nexis attending the April 2007 Commission Meeting. Mr. Greg Long with Lexis Nexis advised Ms. Hancock that he could not provide a representative to attend the April Commission meeting but could provide one during the July 2007 Commission meeting. Mr. Long did advise Ms. Hancock that if the Commission wished to submit a set of questions to him, he would answer them before the April meeting. **Commissioner Haynes made a motion that Commissioner Cunningham would speak directly with Mr. Greg Long at Lexis Nexis and report back to the Commission during the April 2007 meeting; seconded by Commissioner Northern. Motion carried.** Ms. Hancock is to provide Commissioner Cunningham with Mr. Long's phone number in order that he may call to discuss various issues regarding the manual.

Ms. Hancock advised the Commissioners that she had decided not to take the brokers test again in order to continue as Executive Director of the Tennessee Real Estate Commission. **Commissioner Alexander made a motion to place an advertisement for a new Executive Director and a motion for Ms. Hancock to remain as Interim Director until such time a new Executive Director could be put in place. Commissioner Alexander further motioned that all applications for Executive Director are to be reviewed by Chairman Haynes and Commissioner Cunningham to select the top ten (10) applicants which would then be reviewed by all Commissioners for a final decision; seconded by Commissioner Northern. Motion carried.**

Commissioner Northern revisited his request for Dr. Riggs to provide a report on schools and their pass/fail rates on a monthly basis. **Commissioner Northern made a motion to amend his motion on this issue to reflect that Dr. Riggs would provide a report every quarter instead of monthly to the Commission members; seconded by Commissioner Haynes. Motion carried.**

Ryan Bane, Legal Counsel, presented the Commission members with a copy of the Sunset Law. **(Exhibit 12)**

LEGAL REPORT (Exhibit 13)

- 2007050241 – **Commissioner Alexander made a motion to dismiss complaint; seconded by Commissioner Haynes. Motion carried.**

- 2006038561 – Commissioner Northern made a motion to accept recommendation of legal counsel to issue a consent order with a civil penalty of two thousand (\$2,000) dollars; seconded by Commissioner Collins and Commissioner Alexander. Motion carried.
- 2007051031 – Commissioner Cunningham made a motion to dismiss complaint; seconded by Commissioner Collins. Motion carried.
- 2007049801 – Commissioner Haynes made a motion to dismiss complaint; seconded by Commissioner Northern. Motion carried.
- 2007047891 – Commissioner Haynes made a motion to dismiss complaint; seconded by Commissioner Northern. Motion carried.
- 2007047931 – Commissioner Haynes made a motion to dismiss complaint; seconded by Commissioner Northern. Motion carried.
- 2007050331 – Commissioner Northern is to review the information regarding this complaint and report back to the Commission in April 2007.
- 2007050381 – Commissioner Haynes made a motion to dismiss complaint; seconded by Commissioner Northern. Motion carried.
- 2007050091 – Commissioner Haynes made a motion to defer this complaint until April in order for him to review and report back to the Commission; seconded by Commissioner Alexander. Motion carried.
- 2007049691 – Commissioner Haynes made a motion to dismiss complaint; seconded by Commissioner Northern. Motion carried.
- 2007048821 – Commissioner Haynes made a motion to dismiss complaint; seconded by Commissioner Northern. Motion carried.
- 2007049491 – Commissioner Cunningham made a motion for an auditor to check out this complaint but dismiss complaint; seconded by Commissioner Alexander and Commission Northern. Motion carried.
- 2007051663, 2007051662, 2007051661 – Commissioner Northern made a motion that he would review the complaints and report back to the Commission in April 2007; seconded by Commissioner Cunningham. Motion carried.
- 2007051521 – Commissioner Haynes made a motion to dismiss complaint; seconded by Commissioner Northern and Commissioner Collins. Motion carried.
- 2006042761 – Commissioner Alexander made a motion that he would review file and report back to the Commission in April 2007; seconded by Commissioner Stephenson. Motion carried.
- 200603427 – Commissioner Collins made a motion to close the complaint pending any litigation and recommended by legal counsel; seconded by Commissioner Haynes. Motion carried.
- 2006041381 and 2006041382 – Commissioner Haynes made a motion to dismiss the complaints; seconded by Commissioner Cunningham. Motion carried.
- 2006042141 – Commissioner Northern made a motion to dismiss complaint; seconded by Commissioner Haynes. Motion carried.
- 2006033961 – Commissioner Haynes made a motion to fine the Principal Broker \$500.00; seconded by Commissioner Alexander. Commissioner Northern made a motion to also fine the agent \$500.00; seconded by Commissioner Collins. Motion carried.

- 2006039231 – Commissioner Northern made a motion to dismiss complaint; seconded by Commissioner Collins. Motion carried.
- 2006036841 – Commissioner Collins made a motion to dismiss complaint; seconded by Commissioner Northern. Motion carried.
- 2006036021 – Commissioner Haynes made a motion to defer the complaint and that Commissioner Northern review complaint and report back to Commission in April 2007; seconded by Commissioner Alexander. Motion carried.
- 2006034361 – Commissioner Cunningham made a motion to dismiss complaint; seconded by Commissioner Haynes. Motion carried.
- 2006034541 – Commissioner Cunningham made a motion to dismiss complaint; seconded by Commissioner Collins. Motion carried.
- 2006034792 and 2006034791 – Commissioner Haynes made a motion to issue consent order with a civil penalty of \$1,000 to each licensee and if the penalty is not paid, a formal hearing will be held; seconded by Commissioner Collins. Motion carried.
- 2006034811 – Commissioner Collins made a motion to dismiss complaint; seconded by Commissioner Northern. Motion carried.
- 2006035211 – Commissioner Collins made a motion to dismiss complaint; seconded by Commissioner Haynes. Motion carried.
- 2006044141 – Commissioner Haynes made a motion to issue a consent order for licensee to surrender license voluntarily and if the licensee does not surrender the license, a formal hearing will be held; seconded by Commissioner Alexander. Commissioner Cunningham abstained from vote.
- 2006022531, 2006022532, 2006022533 – Commissioner Northern made a motion to close complaints pending any litigation; seconded by Commissioner Collins. Motion carried.
- 2007049871 – Commissioner Collins made a motion to dismiss complaint; seconded by Commissioner Haynes. Motion carried.
- 200604535, 200604663, 20064663, 200704846, 200704886 – Commissioner Northern made a motion to accept legal recommendation to hold a formal hearing. Commissioner Haynes made a friendly motion to hold a formal hearing and issue a consent order to licensees to surrender their licenses; seconded by Commissioner Cunningham. Motion carried.
- 2007051531 – Commissioner Collins made a motion to dismiss complaint; seconded by Commissioner Haynes. Motion carried.
- 2005044541 – Commissioner Haynes made a motion to issue an agreed order with a civil penalty of \$5,000 to broker/agent (husband) and if the civil penalty payment is not received, a formal hearing will be held to revoke broker/agent license; seconded by Commissioner Collins. Commissioner Alexander and Commissioner Cunningham abstained from vote. Commissioner Northern, Commissioner Stephenson, Commissioner Haynes, and Commissioner Collins voted yes.

POLICY REVIEW:

Commissioner Haynes made a motion to defer policy review discussion until the 1st day of the April 2007 meeting; Commissioner Alexander made a motion that all current policies stand in effect until they have been reviewed by the Commission.

COMMISSIONER'S REPORTS:

Commissioner Haynes asked that Ms. Hancock have a TREC staff employee call the Kentucky Real Estate Commission in order to find out when the next Kentucky Award Ceremony would be held. Ms. Hancock stated that she will find out the information and email the Commissioners this afternoon.

Commissioner Cunningham thanked Ms. Hancock for getting the website corrected to reflect the firm with the agent licensee information.

Commissioner Cunningham made a motion for Vice Chairman Stephenson and Chairman Haynes to meet with Deputy Commissioner Mary Moody in order to discuss ARELLO participation for Commission members and the funding being provided from the Education & Recovery Fund; seconded by Commissioner Alexander. Motion carried.

Commissioner Haynes addressed Robbi Helton's resignation and presented Mr. Helton with a plaque from the Commission. Photos were taken of Mr. Haynes presentation of the plaque to Mr. Helton.

Donna Hancock reminded the Commission members that they were invited to the National Land Council's 38th Annual Seminar to be held on May 16-19, 2007, at the Hilton Nashville Downtown and that all fees related to the event would be waived. She asked that any commissioner who could attend this conference advise her after the commission meeting. **(Exhibit 14)**

The Staging Education Course (revisited) - Commissioner Collins is to review the materials and report back at the April 2007 meeting.

Licensees who attended the Commission meeting in order to obtain continuing education credits appeared before the Commission and gave statements regarding what they had learned from the meeting.

Chairman Haynes adjourned Commission Meeting March 15, 2007 at 12:00 noon.